

Draft of Mr. Rivers' Opening Statement

Members of the Committee--

We are meeting to begin hearings on H. R. 7216, a bill to amend the Central Intelligence Agency Act of 1949. Mr. McCone and General Carter are here to testify in support of this bill.

Gentlemen, we are very pleased to have you here with the members of your staff and I am sure that this will be ^{a very} an enlightening session, ~~for all of us.~~

Now this looks like a very complicated bill. Actually, almost all of the provisions currently exist ^{as} law ^{as} applying to executive agencies. The first part of the bill contains technical amendments to bring the CIA Act up to date on such things as travel and ^{Medicare} ~~medical~~ benefits. It also contains a proposed new section authorizing the Agency to receive gifts from individuals and business organizations.

However, by and large, the main purpose of this bill is to authorize CIA to establish a special retirement system for a limited number of their employees and we will go into that part first. The system is identical, or almost identical, to the retirement system of the Foreign Service and I am advised that it does not provide anything new.

I will not ask Mr. McCone to discuss all of this at this time. Mr. McCone will present a general statement on this bill and answer a few general questions. Then, because much of the specific discussion will involve classified information, we ^{if we can have} will go into executive session.

Mr. McCone, I would like to ask you and your people as they testify on the retirement system to point out anything that is different from the Foreign Service system. This Committee has jurisdiction over CIA but it is not expert in the Foreign Service retirement system which, as it stands today, is the result of some 40 years of experience. Since it is proposed to adopt this system, I want to be sure that any changes are reviewed by the Committee.

I would like to say that in my opinion we should not adopt the section in the retirement title which allows additional credit for duty at unhealthful posts. This is section 253. We repealed this authority for military personnel years ago and I don't ^{think} believe it should be reinstated for a quasi-military organization such as the CIA.

In discussing the retirement provisions, I will ask the witnesses to give us full information on the crediting of prior military service for CIA retirement purposes. In the nature of things, CIA can be expected, particularly if the Dual Compensation and Dual Employment laws are ^{revised} involved, ~~involved~~ to look to former or retired military personnel as prospective employees.

However, I could also emphasize that none of us here are as familiar with the Foreign Service retirement system as we are with the military retirement system. Thus we will want to know, in particular, any parts of the bill that would give the CIA any benefits or advantages that do not now exist for Foreign Service employees.

3

In addition, we will expect a full explanation as to how the CIA plans to utilize the forced attrition authority contained in Section 234 (c).

We also should receive a full explanation as to any retroactive benefits or application of the proposal, and finally, full information concerning future costs.

Now, Mr. McCone, we will be glad to hear your general statement.